

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6906

BILL NUMBER: HB 1915

NOTE PREPARED: Jan 3, 2003

BILL AMENDED:

SUBJECT: Increased Speed Limits.

FIRST AUTHOR: Rep. Neese

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a person may drive a vehicle a maximum of 65 miles per hour on a highway after a speed limit determination made by the Department of Transportation (INDOT) or the local authority, with certain exceptions.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The bill increases certain speed limits described in the bill. The INDOT would incur additional expenditures to change or post new speed limit signs. Additional expenditures would affect the State Highway Fund and would be at administrative discretion after a determination is made by the INDOT or a local authority as to the reasonableness of the new speed limit.

Background Information: The INDOT estimates that it would cost the following to adjust for new speed limits:

Item	2-Lane Highway	Item	4-Lane Highway
5,000 speed limit signs to be changed @ \$13 or \$40 each	\$65,000 to \$200,000	1,540 speed limits signs to be changes @ \$13 or \$40 each	\$20,000 to \$61,600
500 Actuated Traffic signals to be adjusted @ \$5,000 per signal	\$2,500,000	120 Actuated Traffic signals to be adjusted @ \$5,000 per signal	\$600,000
No Pass Zones to be adjusted. Estimated cost per mile \$1,300, with 5,531 rural miles estimated as 2-lane	\$7,190,300*	NA	NA
Total	\$9,755,300 to \$9,890,300		\$620,000 to \$661,600
Grand Total	\$10,375,300 to \$10,551,900		

*Subject to verification on the actual number of miles affected..

(A) 2-lane highway:

(1) The INDOT estimates a total of approximately 5,000 speed limit signs on 2-lane roads that will need to be changed. Cost estimates range from \$13 to \$40 each depending if the signs are overlaid or changed out. *Cost:* \$65,000 to \$200,000.

(2) The INDOT estimates there are 500 traffic actuated signals that will need loop adjustments @ \$5,000 per signal. *Cost:* \$2,500,000.

(3) No Pass Zones will need adjustment. INDOT reports that the last contract for wholesale inventory and adjustment was in the 1980's and cost approximately \$650 per mile. INDOT estimates that it will be \$1,300 per mile. They have assumed 75% of the rural roads are 2-lane, with approximately 7,400 miles to survey. *Cost:* \$7,215,000.*

(4) Existing curve warning signs that are appropriate at 55 mph will need to be surveyed and possibly have advisory speed plaques added. The INDOT reports that by inspection, there are more warning signs than speed signs. They have estimated that at least one warning sign plaque will be needed between each speed sign. *Cost:* (5,000) @ \$40 per plaque = \$200,000.

(B) 4-lane highway

(1) Speed limit signs to change are estimated at 1,540 @ either \$13 or \$40 each, depending if the signs are overlaid or changed out. *Cost:* \$20,200 to \$61,600.

(2) Adjust loops at 120 traffic signals. *Cost:* \$600,000.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Transportation.

Local Agencies Affected: Units with road authority responsibility.

Information Sources: Kathy Noland, Director of Communications, Department of Transportation, 232-0694.

Fiscal Analyst: James Sperlik, 317-232-9866.